

doesn't provide a penny of additional tax cuts for working families and it does nothing for small businesses—the job creators the Republicans claim to care so much about.

They seem to think our plan to put \$1,500 back into the pocket of every American, with rare exception, and give small businesses the boost they need to hire new employees goes too far. They are willing to fight for ever deeper tax cuts for the wealthy, but when it comes to the middle class, Republicans here in the Senate—not Republicans generally, but Republicans here in the Senate—believe the status quo is good enough for struggling families. The Republican plan goes directly against the budget agreement we reached in the summer, the so-called Budget Deficit Reduction Act, where we raised the debt ceiling and those things we worked on. It took 3 months. Their plan goes directly against that plan that we made, which is now the law of this country. While Democrats have been working tirelessly to create new jobs, the Republican plan goes in precisely the opposite direction. Instead of creating jobs, it would cost jobs. The report is out today that during the month of October there were 206,000 private sector jobs created. Under their plan, the Republicans' plan, many more middle-class families around the country would lose their jobs. That includes Americans dedicated to public service, hard-working people committed to keeping our streets safe—for example, an FBI agent, Drug Enforcement officer, food safety workers, highway construction workers. They want to devastate those folks. That is how they want to pay for this tax cut. It is not anything that is going to help the economy. It hurts the economy.

They are going after jobs that we need so desperately. Do the Republicans believe—I guess so, because that is what their legislation is all about—that the way to revive the economy is to lay off more FBI agents or fire more Border Patrol officers? These cuts will not revive the economy, they will only slow it down and cost more jobs. But, remember, the role of the Republicans here in the Senate is to defeat Barack Obama. It doesn't matter what it does to middle-class families, obviously.

While targeting the middle class, Republicans propose to do nothing to cut back on excessive subsidies for many large corporations that benefit from government contracts. This is almost hard to comprehend. The Republicans started it, and it caught fire during the Republican control of the Presidency. There are more than 5 million government contractors. The Republicans propose to do nothing to cut back on excessive subsidies for many of these large corporations that benefit from government contracts. Employees at some of these taxpayer-supported corporations are being paid more than \$700,000 a year while many public servants struggle to make ends meet. The

Republicans want to whack these people who work to keep us safe in many different ways while they let these people go untouched.

The Republicans are uninterested in going after these high-income earners. As usual, the only real target of this Republican meat axe is the middle class. It is wrong. Americans believe, across the country, that the middle class is hurting. I have said—I will say it again—the only people in America who believe that the richest of the rich should not contribute a little bit to help our economy are the Senate Republicans. The Republicans outside this body do not feel that way. America's middle class has been hurting for a long time. They are the people who are struggling. They are the ones who need help, not these multimillionaires, and not large, profitable government contractors.

The Republican proposal is unacceptable. It will not pass the Senate. We can do better and we must do better.

Would the Chair announce the business of the day?

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now be in a period of morning business until 11 a.m., with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, the majority controlling the first half and the Republicans controlling the final half.

The Senator from Washington is recognized.

MIDDLE-CLASS TAX CUT

Mrs. MURRAY. Mr. President, I come to the floor this morning to urge my colleagues to support the middle-class tax cut bill that would extend and expand the payroll tax relief for our families and small business owners. This legislation is straightforward. It should not be controversial. At a time when so many of our hard-working middle-class families continue to struggle in this very tough economy, this bill would cut their Social Security payroll tax in half, from 6.2 percent to 3.1 percent. That means a tax cut for 160 million workers in this country today.

In my home State of Washington it represents a tax cut of around \$1,700 for a family earning the median income next year. This bill would put money into the pockets of small business owners and encourage them to hire workers by cutting the employer's side of the payroll tax in half as well and eliminating it altogether for firms that

are making new hires. In Washington State, 150,000 small business owners would receive a tax cut under this plan and they would have thousands of dollars more in their pockets to spend in their communities and get workers back on the job.

This is a big deal. Economists from across the ideological spectrum have said payroll tax cuts create jobs and boost the economy. They have said it could be devastating to allow them to go up in this weak economy.

In the past, Republicans have agreed and have strongly supported payroll tax cuts as an effective way to boost the economy and create jobs, so this should be easy. It should be something both parties can get behind and quickly pass, but unfortunately it seems politics are getting in the way. I am disappointed that many of the same Republicans who spent the last few months fighting tooth and nail to prevent tax increases on the richest Americans and biggest corporations are now hesitating to give average working families a break. In fact, it was this very issue that prevented the Joint Select Committee on Deficit Reduction to come to a deal.

On the Democratic side we put forward serious compromises on the table to get to a balanced and bipartisan deal, but our Republican counterparts refused to allow the wealthiest Americans to pay a single penny more in taxes and insisted that the middle class and seniors and most vulnerable Americans bear the burden of this crisis alone. It was not fair then; it is not fair now. This bill is fully paid for by asking millionaires, who earn more than \$1 million a year, to pay a little bit more, a small step toward a fair share. It is not drastic. It does not close the loopholes and shelters that Republicans have been fighting hard to maintain. It does not touch the Bush tax cuts for the rich they have been protecting. It doesn't end the tax breaks for the oil and gas industry that they would not allow us to close. It simply adds a 3.25-percent tax on incomes over \$1 million a year. That means if someone earns \$1.2 million in a single year they only owe an additional 3.25 percent on that last \$200,000.

At a time when so many families are struggling, we think this is a fair thing to ask the wealthiest Americans, who survived so well, to continue to give working families a break.

This vote sets up a simple choice. Do you vote to extend tax cuts for middle-class families and small businesses that have been struggling in this economy or do you vote to protect the wealthiest Americans from paying 1 penny more toward their fair share? I know where I stand. I feel very strongly that we owe it to middle-class families across this country to extend this tax cut. I think it would be a whole lot easier if our Republican colleagues were as focused on tax cuts for the middle class as they are for tax cuts for the wealthiest Americans and corporations.

I urge my colleagues to support this legislation and extend tax cuts for the families who need them most.

I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

PAYROLL TAX EXTENSION

Mr. McCONNELL. Mr. President, yesterday, Republicans, led by Senator HELLER, introduced what we believe is a much smarter approach to extending the temporary payroll tax cut than the one proposed by Democrats involving permanent tax hikes on job creators.

Similar to Democrats, we think struggling American workers should continue to get this temporary relief for another year. There is no reason folks should suffer even more than they already are from the President's failure to turn this jobs crisis around. But there is also no reason we should pay for that relief by raising taxes on the very employers we are counting on to help jolt this economy back to life. We would not be helping anybody by making it less likely that small businesses actually start hiring people again. Senator HELLER's proposal would achieve the same result, the same relief, without a gratuitous hit on job creators. Even better, our plan protects Social Security and reduces the Federal deficit by more than \$111 billion.

How do we do it? Consistent with the recommendations of the bipartisan Simpson-Bowles Commission, our payroll tax plan would institute a 3-year pay freeze on Federal civilian employees, including Members of Congress. It would also reduce the Federal workforce gradually by 10 percent, not by firing anybody but by only hiring one replacement for every three Federal employees who leave Federal service until a 10-percent reduction that the Simpson-Bowles Commission recommended is reached. So over this period, only hire one worker for every three who leave until it achieved a 10-percent reduction in the Federal workforce. This is a recommendation in the Simpson-Bowles Commission.

Our bill would also save money by means testing Medicare benefits for millionaires and billionaires. What does that mean? One of the things the economic downturn of the past few years has revealed is that a lot of people out there are getting a pretty good deal from the government at every level, all on the taxpayers' dime. Let me give you an example. Yesterday, a CBS affiliate in Philadelphia reported that a former Philadelphia school superintendent who got a nearly \$1 million buyout in August is now putting in for unemployment benefits. The lady was shown the door, given \$905,000 not to finish her 5-year contract with the

school district, and on top of that she now wants the taxpayers to subsidize her unemployment benefits to the tune of about \$30,000 a year. Our proposal helps minimize this kind of thing.

What we are saying is, anybody who makes more than \$1 million a year should not get an unemployment check on top of it, paid for with tax dollars of folks struggling just to make ends meet. No more unemployment checks or food stamps for millionaires. No more unemployment checks or food stamps for millionaires. We don't think these folks would mind having to pay the full freight on their Medicare premiums either. Millions of seniors need help covering their monthly Medicare premiums; Warren Buffett is not one of them.

Here is another way we think folks such as Warren Buffett can offset the relief we are giving working Americans through our proposal of a temporary extension of payroll tax cuts, which would also incorporate legislation from Senator THUNE, that would allow people who want to voluntarily help pay down the Federal debt to do so on their tax return. There would actually be a new line right on Warren Buffett's tax returns enabling him or anybody else, for that matter, to give as much as they want. That way those who want to go that route can feel they are contributing in a way they want to contribute, and small business owners who want to help our economic and fiscal situation by growing their businesses and creating jobs can do that too without Washington dictating one way or the other.

This is the kind of balanced plan Americans are looking for. It is focused on helping middle-class Americans without asking them to fund benefits for the wealthiest among us, and it does so without hamstringing the economy—as the Democrats would—with a permanent tax on job creators. Bear in mind what they are doing here is “paying for a temporary payroll tax relief with a permanent tax increase on job creators.” It also helps rein in the bureaucracy in Washington.

Millions of Americans have had to go without or to live with less over the past few years. Yet all they see here is that Washington just keeps getting bigger and bigger and richer. It is about time Washington took the hit for a change. We think this is a plan that those who are fed up with Washington and Wall Street can embrace but, as I have said before, we are never going to turn this economy around as long as we are focused on these temporary measures.

Yesterday, I outlined our vision for a tax-reform plan that restores basic fairness, helps put businesses on a level playing field, and puts our tax rates in line with our competitors overseas. That is the kind of thing that will get this economy charging again and we will continue to press for it. Meanwhile, we will also continue to point out what this administration is doing to prevent job creation right now.

KEYSTONE XL PIPELINE

Mr. McCONNELL. Yesterday, Republicans drew attention to one of the greatest fumbles of this administration yet, and this is astonishing. I don't know how many Americans are familiar with the proposed Keystone XL Pipeline, but this is an issue every single American is soon going to learn a lot about. The Keystone XL Pipeline is the single largest shovel-ready project in our entire country—the single largest shovel-ready project in our entire country. It would transport oil from Canada—our friendly neighbor to the north—to the gulf coast. It is privately funded, so it would not cost the taxpayer a dime, and we are told that its approval would lead to the creation of 20,000 jobs, not some other time but immediately, right now.

This project is enormous. It is a huge job creator, and it is ready to go. Labor unions love this project. Folks in the Heartland love this project. The Chamber of Commerce loves this project. But here is the problem: President Obama is getting heat from his base over this project, especially from the very young and very liberal voters he will need knocking on doors before November. So the State Department now says they are going to delay the approval—even though previously they were seemingly ready to approve it after a 3-year review that has already occurred, including two exhaustive environmental evaluations.

Here is the bottom line. The President has said time and time again that his top priority is jobs. Yet here we have the single largest shovel-ready project in the country ready to go, and he is delaying its approval—interestingly enough—until after the election next year. He is saying he doesn't care so much about jobs in States such as Nebraska—that he doesn't think he will carry next year—so he can keep the enthusiasm up in States he hopes to carry. So I think it is pretty clear the President cares less about this particular boon for job creation than his own job preservation, and it is wrong.

There is no reason whatsoever to delay this project and these jobs by another day. As the President recently put it, we have to decide what our priorities are. We have to ask ourselves what is not just best for me but what is best for us. What is the best way to grow the economy and create jobs? It was President Obama who said that. That is why Republicans are proposing legislation today that would require the President either to approve this massive job-creating project within 60 days or to explain clearly why he doesn't think it is in the national interest to do so. We will give the President 60 days—not after next year's election but 60 days—to decide why this should not be approved and explain it to us. We think the people who want to start hiring deserve action or a straightforward explanation from the President himself as to why he opposes it.